

COMPENSATION REVIEW COMMISSION

Report of
Information Received by the Commission
and
Recommendations

May 14, 2003

Compensation Review Commission

P. O. Box 44486

Baton Rouge, Louisiana 70804-4486

Loy F. Weaver, Chairman

J. Herbert Boydstun, Vice Chairman

May 19, 2003

The Honorable Charlie DeWitt
Speaker of the House of Representatives
State Capitol
Baton Rouge, Louisiana 70804

The Honorable John J. Hainkel, Jr.
President of the Senate
State Capitol
Baton Rouge, Louisiana 70804

In re: Compensation Review Commission Report of Information Received by the Commission
and Recommendations Adopted by the Commission on May 14, 2003

Dear Speaker DeWitt and President Hainkel:

The Compensation Review Commission submits to you the accompanying report in accordance with R.S. 42:1485. The commission met on May 14, 2003, and adopted these recommendations for compensation of members of the legislature and statewide elected officials.

At the direction of the commission, a comparison of current compensation and proposed compensation is included in this report.

The commission also has directed that proposed Resolutions be included in the report that would permit the legislature to approve the salary of legislators separately from the salaries of the governor and statewide elected officials, or alternatively to adopt a single resolution to approve the salaries of both legislators and the governor and statewide elected officials. The report includes such Resolutions.

As we have stated in the past, we have not tried to make a political recommendation. Rather we determined early on that our job is to be objective and fair and to recommend pay for the job to be done and the kind of individuals the state must seek to fill those jobs. That is what we have done.

Sincerely yours,

Loy F. Weaver

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REPORT OF THE COMPENSATION REVIEW COMMISSION

In accordance with commission action taken at a meeting on May 14, 2003, the commission submits the following report:

- ~ Recommendations for changes in salary and expense allowances for legislators and recommendations for changes in salary of the governor and statewide elected officials.
- ~ Comparison of recommended salary and expense allowance changes and current compensation.

The commission specifically directed that the report contain a comparison of current and proposed compensation.

- ~ Drafts of Resolutions and statutory language necessary to implement the committee report.

The commission specifically adopted a motion that Resolutions be submitted as part of its report to provide for legislative adoption of commission recommendations for salaries of legislators separately from salaries of the governor and statewide elected officials and also to provide for legislative adoption of commission recommendations for salaries of legislators jointly with salaries of the governor and statewide elected officials. The report includes three draft Resolutions:

- (1) one for adoption of recommended legislative salaries;
- (2) one for adoption of recommended salaries for the governor and statewide elected officials; and
- (3) one for adoption of both recommended legislative salaries and recommended salaries for the governor and statewide elected officials.

The report also includes recommended statutory changes and changes in House rules necessary to accomplish its recommendations concerning legislative expense allowances.

COMMISSION RECOMMENDATIONS

Commission Recommendation for Legislative Salary as Adopted by the Commission on May 14, 2003

This recommendation for payment of legislative salary is in addition to the recommendation for a legislative expense allowance adopted by the commission on May 14, 2003.

Recommendation:

Salary

That the unvouchered expense allowance be discontinued; that the annual salary of each legislator shall be \$41,500; that the annual salary of the House speaker and the Senate president shall be \$72,450 per year; that the annual salary of the House speaker pro tempore and the Senate president pro tempore shall be \$51,500.

Effective Date:

That the salary increases recommended shall become effective as follows:

- (1) That one-half of the salary increase shall become effective on January 12, 2004, or if this recommendation is not adopted on or before January 12, 2004, fifteen days after adoption of this recommendation by legislative resolution, and
- (2) That the remaining one-half of the salary increase shall become effective one year after the date the first half of the increase becomes effective.

Commission Recommendation for Legislative Expense Allowance as Adopted by the Commission on May 14, 2003

Recommendation: That the \$500-per-month-vouchered expense allowance for House and Senate members be increased to \$1,500 per month, replacing the present \$1,500 vouchered supplemental expense allowance for House members, as well as Senate expenditures for senators for items now covered by the present House supplemental expense allowance; that a legislator may carry forward from month to month the unexpended balance from prior months, but may carry forward at the end of the fiscal year not more than an unexpended balance of \$3,000; that this vouchered expense allowance be the legal maximum expense allowance provided to a representative or a senator; that this limitation shall not preclude the payment by the House or Senate for a member of extraordinary expenses approved by the respective presiding officer and that such extraordinary expenses shall be reported to the Legislative

Budgetary Control Council and the Compensation Review Commission; that the allowance shall be used only for expenses directly related to the duties of office and shall not be used for political purposes, including but not limited to any publication or communication that has the effect of supporting or opposing the election or reelection of a person to public or party office; that the legislature, through the Legislative Budgetary Control Council (LBCC), shall establish uniform rules for the House and Senate governing administration and permissible uses of the expense allowance and that the LBCC shall provide daily oversight and regulation of the expense allowance. It is further recommended that the commission reexamine the amount of the allowance each biennium.

Explanation: The \$500 vouchered allowance provided for in R.S. 24:31.4 is inadequate to allow a legislator to operate a full-time constituent service office. The lack of adequate funding forces legislators to solicit campaign contributions to meet these needs or to invest personal funds to run a district office. Legislators and potential candidates for the legislature vary widely in their ability to invest personal funds for this purpose.

Based upon the testimony presented to the commission, an increase in the R.S. 24:31.4 vouchered expense allowance is justified. The detailed information provided to the commission indicates that legislators have diverse demands upon their time, for their attention, and for services to their constituents. The commission's charge does not include the detailed management or oversight of exactly how each member uses the allowed vouchered expenses.

Therefore, R.S. 24:31.4 should be amended to change the vouchered expense allowance from \$500 per month to \$1,500 per month. This allowance should be defined as the legal maximum expense allowance to be provided to a legislator, thus making it impermissible to establish other such allowances other than by statute. This allowance would not replace or affect the present \$500 unvouchered expense allowance that is considered earned compensation¹, the every four-year furniture and equipment allowance, or the payment by the House and Senate, directly or through the LBCC, of costs for computers for legislators and their offices.

Regulations applicable to legislators' use of the vouchered allowance should be defined by the legislature through the Legislative Budgetary Control Council, a joint leadership committee of the legislature, and the legislature should designate the LBCC as the appropriate internal organ for the daily oversight and regulation of the vouchered expense allowance. The regulations for use of the allowance should permit its use only for expenses directly related to the duties of the office of legislator and should exclude political purposes.

To assure that the amount of the allowance continues to meet the needs of legislators, the Compensation Review Commission should review the appropriate amount of the vouchered expense allowance each biennium.

¹The abolition of this allowance is recommended in the commission's recommendation for increasing legislative salary.

**Commission Recommendation for
Salary for Statewide Elected Officials and the Governor
As Adopted by the Commission on May 14, 2003**

Recommendation:

Governor

That the annual salary of the governor shall be \$150,933.

**Statewide Elected Officials ~ Lieutenant Governor, Secretary of State, Attorney General,
Treasurer, Commissioner of Agriculture, and Commissioner of Insurance**

That the annual salary of each of the other state officials elected statewide shall be \$125,933.

Funding:

That the salary increase shall be funded from the existing revenues of each respective department or office.

Effective Date:

That the salary increases recommended shall become effective as follows:

- (1) That one-half of the salary increase shall become effective on January 12, 2004, or if this recommendation is not adopted on or before January 12, 2004, fifteen days after adoption of this recommendation by legislative resolution, and
- (2) That the remaining one-half of the salary increase shall become effective one year after the date the first half of the increase becomes effective.

Comparison of Recommendations and Current Compensation and Expenses

The commission presents the following comparisons between its 2003 recommendations and information contained in the commission's 2001 report concerning then current legislative salary and expenses and salary of statewide elected officials.

Legislative Expenses

Current and proposed provisions for vouchered expense allowances for members are summarized in the table below:

| <i>Monthly Vouchered Expenses</i> | | <i>Current</i> | <i>Proposed</i> |
|-----------------------------------|---|----------------|-----------------|
| House | Vouchered expense allowance | \$ 6,000 | \$18,000 |
| | Vouchered supplemental expense account (\$18,000 less 10% voluntary reduction) | \$16,200 | 0 |
| | <i>Total</i> | \$22,200 | \$18,000 |
| Senate | Vouchered expense allowance | \$ 6,000 | \$18,000 |
| | Avg. expenses paid by Senate per member* | \$ 4,785* | 0 |
| | <i>Total</i> | \$ 10,785 | \$18,000 |

* From 2001 commission report and based upon best available information at the time.

Other current provisions for paying or reimbursing expenses of legislators (for which no change is recommended) are summarized in the following table:

| <i>Other Provisions for Paying or Reimbursing Expenses ~ Both Houses</i> | |
|--|---|
| Office Furniture & Equipment | For purchase of district office furniture and equipment -- \$ 2,000 after election, \$500 after each subsequent re-election |
| Mileage | Mileage is paid equal to the federal mileage rate (32.5 cents in 2000).* Paid for one round-trip per week during session and for attendance at committee meetings in the interim, task force meetings, study committee meetings, and other duties approved by the presiding officer. |
| Computers | Laptop computer provided for each member. Desktop computer provided for district office. Senators also may have desktop computer in capitol office. Additional software is available upon approval of presiding officer (In the House, would be charged to member's supplemental account) |
| Capitol Offices | All senators have a furnished office in the Capitol. House committee chairs and some House vice chairs have furnished offices in the Capitol. |

* From 2001 commission report. The mileage rate is now 36 cents.

Legislative Pay

Current and proposed provisions for the salary, unvouchered expense allowance (treated as salary), and per diem of Louisiana legislators are summarized in the table below.

Note: The per diem amounts for the interim in the table below are based on records for only one year and on the average for all members; thus, necessarily, many members earn more than this amount. The salary has not been changed since 1980. The unvouchered expense allowance dates from 1997, when the vouchered expense allowance was reduced.

| <i>Pay for Louisiana Legislators</i> | | <i>Current</i> | <i>Proposed</i> |
|--------------------------------------|--|----------------|-----------------|
| Salary | Legislator's annual salary | \$ 16,800 | \$ 41,500 |
| Unvouchered Expense Allowance | Legislator's monthly expense allowance -- Unvouchered -- Considered earned compensation -- Treated as salary for tax purposes | \$ 6,000 | 0 |
| Subtotal | | \$ 22,800 | \$ 41,500 |
| Regular Session Per Diem | Legislator's receive a per diem for each day of a regular annual legislative session equal to the federal per diem rate for Baton Rouge (\$103 for 2000)* -- Based on the maximum number of days, this is the average for the two year general/limited session cycle | \$ 6,695* | \$ 6,695 |
| Special Session Per Diem | Based on the average number of special session days per year in recent years | \$ 618* | \$ 618 |
| Interim Per Diem | Based on the average number of interim days of per diem, per legislator (other than speaker and senate president) | \$ 2,266* | \$ 2,266 |
| Total | | \$ 32,379 | \$ 51,079 |

* From 2001 commission report. The per diem rate is now \$120.

Pay of Statewide Elected Officials

Louisiana's governor currently is entitled to a salary of \$95,000 and the other statewide elected officials receive a salary of \$ 85,000. The 2001 commission report stated that the chief justice of the Louisiana supreme court receives a salary of \$107,933 and an additional allowance for housing and other expenses of \$18,000. Information received by the commission in 2000 indicated that in Louisiana 276 classified positions have salary levels of \$70,000 or more and 2,645 unclassified positions were at or above this level. Based upon January 2000 salaries, of the twelve department heads who are not statewide elected officials, only six made less than the statewide elected officials and four made salaries greater than the salary authorized for the governor. (See Appendix 6.1 of Compensation Review Commission Report of February 16, 2000.)

Drafts

of

- ~ **Concurrent Resolution for Legislative Approval of Recommended Legislative Salaries**
- ~ **Concurrent Resolution for Legislative Approval of Recommended Salaries for the Governor and Statewide Elected Officials**
- ~ **Concurrent Resolution for Legislative Approval of Recommended Legislative Salaries and Recommended Salaries for the Governor and Statewide Elected Officials**
- ~ **Changes in Statutory Language to Implement Recommended Changes in Expense Allowances**
- ~ **House Resolution to Repeal Provisions for House Supplemental Expense Account**

1 report of its recommendations concerning compensation and benefits to the legislature
2 at any regular session in an odd-numbered year; and

3 WHEREAS, the law further provides that, if approved by concurrent resolution
4 adopted by a favorable vote of the majority of the elected members of each house
5 according to the same procedures and formalities required for the passage of a bill,
6 except for submission to the governor, the salaries recommended in the report shall take
7 effect on the day recommended by the commission in its report and it requires that the
8 concurrent resolution specify such effective date for the salaries; and

9 WHEREAS, the law further provides that, other than recommended salaries, any
10 other recommendation of the commission may be implemented only as provided by such
11 change in law, resolution, rule, or policy as is necessary to provide for such
12 implementation; and

13 WHEREAS, the Compensation Review Commission held extensive public
14 meetings prior to the 2001 Regular Session of the Legislature, including meetings on
15 January 19, 2000, February 8, 9, and 10, 2000, February 16, 2000, September 28 and 29,
16 2000, January 8, 2001, and January 22, 2001, and the commission received testimony
17 and information from a great number of organizations and individuals, including but not
18 limited to the governor, statewide elected officials or their representatives, a number of
19 secretaries of executive branch departments, the presiding officers of the House and
20 Senate, the clerk of the House of Representatives and the secretary of the Senate,
21 legislators and former legislators, and lobbyists; and

1 WHEREAS, the commission has devoted much time and effort to receiving
2 testimony and information and to discussing and deliberating about the appropriate
3 salary amounts and other compensation and benefits which should be provided for
4 members of the legislature and statewide elected officials and submitted a report of the
5 recommendations adopted by the commission together with substantial documentation
6 in a report to the legislature prior to the 2001 Regular Session as required by law; and

7 WHEREAS, the commission met again on May 14, 2003, and reviewed, updated,
8 and adopted its recommendations which have been submitted to the presiding officers
9 of the two houses of the legislature pursuant to law.

10 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
11 approve the salaries for legislators as recommended in the report of the Compensation
12 Review Commission to the legislature, submitted to the president of the Senate and the
13 speaker of the House of Representatives, as required by law, on May 19, 2003.

14 BE IT FURTHER RESOLVED that the salaries of legislators approved by this
15 Resolution shall be paid in the same manner as legislative salaries have been paid prior
16 to the effective date of this Resolution.

17 BE IT FURTHER RESOLVED that, as provided in the report of the
18 Compensation Review Commission, the salaries for legislators, for the president of the
19 Senate and the speaker of the House of Representatives, and for the president pro
20 tempore of the Senate and the speaker pro tempore of the House of Representatives
21 approved by this Resolution shall become effective as follows:

1 (1) That one-half of the salary increase shall become effective *[on January 12,*
2 *2004, or, if this Resolution is not adopted on or before January 12, 2004, fifteen days*
3 *after adoption of this Resolution]*; and

4 (2) That the remaining one-half of the salary increase shall become effective one
5 year after the date the first one-half of the increase becomes effective.

6 BE IT FURTHER RESOLVED that, effective *[on January 12, 2004, or, if this*
7 *Resolution is not adopted on or before January 12, 2004, fifteen days after adoption of*
8 *this Resolution]*, the presiding officers of the House of Representatives and the Senate
9 are directed not to submit warrants for payment of and not to pay the unvouchered
10 expense allowance for legislators provided by R.S. 24:31.1(E) which is considered as
11 salary for tax purposes.

12 BE IT FURTHER RESOLVED that copies of this Resolution shall be transmitted
13 to the speaker of the House of Representatives and the president of the Senate.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no
part of the legislative instrument.

CR No.

Present law created the Compensation Review Commission. Requires the commission to study of the salaries, expenses, reimbursements, other forms of compensation, and benefits of statewide elected officials and members of the legislature. Requires a report to the legislature 60 days prior to any regular session in an odd-numbered year and authorizes submission of a report every two years at any regular legislative session in an odd-numbered year. Provides that, if approved by concurrent resolution adopted by a

favorable vote of the majority of the elected members of each house, the salaries recommended in the report shall take effect on the day recommended by the commission in its report. Requires that the Resolution specify such effective date. Requires that the Resolution be adopted according to the same procedures and formalities required for the passage of a bill, except for submission to the governor. Specifies that, other than the recommended salaries, any other commission recommendation may be implemented only as provided by such change in law, resolution, rule, or policy as is necessary to provide for such implementation.

Proposed Resolution approves the salaries for legislators recommended in the report of the Compensation Review Commission to the legislature, submitted to the presiding officers pursuant to law on May 19, 2003. These salary amounts are:

| | |
|--|-----------|
| Legislators | \$ 41,500 |
| Speaker of the House and Senate President | \$ 72,450 |
| Speaker Pro Tempore and President Pro Tempore | \$ 51,500 |

Proposed Resolution provides that the salaries of legislators approved by the Resolution shall be paid in the same manner as legislative salaries have been paid prior to the effective date of the Resolution.

Proposed Resolution provides that the salaries approved shall become effective as follows:

- (1) One-half of the salary increase shall become effective *[on January 12, 2004, or, if the Resolution is not adopted on or before January 12, 2004, fifteen days after adoption of the Resolution]*; and
- (2) That the remaining one-half of the salary increase shall become effective one year after the date the first one-half of the increase becomes effective.

Proposed Resolution, effective *[on January 12, 2004, or, if the Resolution is not adopted on or before January 12, 2004, fifteen days after adoption of the Resolution]*, directs the presiding officers of the legislature not to submit warrants for payment of and not to pay the unvouchered expense allowance for legislators provided by R.S. 24:31.1(E) (\$500 per month) which is considered as salary for tax purposes.

**CONCURRENT RESOLUTION FOR LEGISLATIVE APPROVAL OF RECOMMENDED
SALARIES FOR THE GOVERNOR AND STATEWIDE ELECTED OFFICIALS**

Regular Session, 2003

CONCURRENT RESOLUTION NO.

BY

ELECTED OFFICIALS/COMP: Approves salaries for statewide elected officials as
recommended by the Compensation Review Commission

A CONCURRENT RESOLUTION

To approve salaries for statewide elected officials recommended by the Compensation
Review Commission in accordance with law; to authorize and direct the state
treasurer to pay the salaries so approved; and to provide an effective date for such
salaries.

WHEREAS, the Compensation Review Commission is required by law to make
a study of the salaries, expenses, reimbursements, other forms of compensation, and
benefits of statewide elected officials and members of the legislature and may submit a
report of its recommendations concerning compensation and benefits to the legislature

1 at any regular session in an odd-numbered year; and

2 WHEREAS, the law further provides that, if approved by concurrent resolution
3 adopted by a favorable vote of the majority of the elected members of each house
4 according to the same procedures and formalities required for the passage of a bill,
5 except for submission to the governor, the salaries recommended in the report shall take
6 effect on the day recommended by the commission in its report and it requires that the
7 concurrent resolution specify such effective date for the salaries; and

8 WHEREAS, the law further provides that, other than recommended salaries, any
9 other recommendation of the commission may be implemented only as provided by such
10 change in law, resolution, rule, or policy as is necessary to provide for such
11 implementation; and

12 WHEREAS, the Compensation Review Commission held extensive public
13 meetings prior to the 2001 Regular Session of the Legislature, including meetings on
14 January 19, 2000, February 8, 9, and 10, 2000, February 16, 2000, September 28 and 29,
15 2000, January 8, 2001, and January 22, 2001, and the commission received testimony
16 and information from a great number of organizations and individuals, including but not
17 limited to the governor, statewide elected officials or their representatives, a number of
18 secretaries of executive branch departments, the presiding officers of the House and
19 Senate, the clerk of the House of Representatives and the secretary of the Senate,
20 legislators and former legislators, and lobbyists; and

21 WHEREAS, the commission has devoted much time and effort to receiving

1 testimony and information and to discussing and deliberating about the appropriate
2 salary amounts and other compensation and benefits which should be provided for
3 members of the legislature and statewide elected officials and submitted a report of the
4 recommendations adopted by the commission together with substantial documentation
5 in a report to the legislature prior to the 2001 Regular Session as required by law; and

6 WHEREAS, the commission met again on May 14, 2003, and reviewed, updated,
7 and adopted its recommendations which have been submitted to the presiding officers
8 of the two houses of the legislature pursuant to law.

9 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
10 approve the salaries for statewide elected officials as recommended in the report of the
11 Compensation Review Commission to the legislature, submitted to the president of the
12 Senate and the speaker of the House of Representatives, as required by law, on May 19,
13 2003.

14 BE IT FURTHER RESOLVED that the state treasurer is authorized and directed
15 to pay warrants for the salaries of statewide elected officials approved by this Resolution.

16 BE IT FURTHER RESOLVED that, as provided in the report of the
17 Compensation Review Commission, the salaries for the governor, the lieutenant
18 governor, the secretary of state, the attorney general, the state treasurer, the
19 commissioner of agriculture, and the commissioner of insurance approved by this
20 Resolution shall be funded from the existing revenues of each respective department or
21 office and shall become effective as follows:

1 (1) That one-half of the salary increase shall become effective [*on January 12,*
2 *2004, or, if this resolution is not adopted on or before January 12, 2004, fifteen days*
3 *after adoption of this Resolution*]; and

4 (2) That the remaining one-half of the salary increase shall become effective one
5 year after the date the first one-half of the increase becomes effective.

6 BE IT FURTHER RESOLVED that a copy of this Resolution shall be transmitted
7 to the state treasurer.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

CR No.

Present law created the Compensation Review Commission. Requires the commission to study of the salaries, expenses, reimbursements, other forms of compensation, and benefits of statewide elected officials and members of the legislature. Requires a report to the legislature 60 days prior to any regular session in an odd-numbered year and authorizes submission of a report every two years at any regular legislative session in an odd-numbered year. Provides that, if approved by concurrent resolution adopted by a favorable vote of the majority of the elected members of each house, the salaries recommended in the report shall take effect on the day recommended by the commission in its report. Requires that the Resolution specify such effective date. Requires that the Resolution be adopted according to the same procedures and formalities required for the passage of a bill, except for submission to the governor. Specifies that, other than the recommended salaries, any other commission recommendation may be implemented only as provided by such change in law, resolution, rule, or policy as is necessary to provide for such implementation.

Proposed Resolution approves the salaries for statewide elected officials recommended in the report of the Compensation Review Commission to the legislature, submitted to the presiding officers pursuant to law on May 19, 2003. These salary amounts are:

Governor \$ 150,933

Other Statewide Elected Officials \$ 125,933

Proposed Resolution authorizes and directs the state treasurer to pay warrants for the salaries so approved.

Proposed Resolution provides that the salaries approved shall become effective as follows:

- (1) One-half of the salary increase shall become effective *[on January 12, 2004, or, if the Resolution is not adopted on or before January 12, 2004, fifteen days after adoption of the Resolution]*; and
- (2) That the remaining one-half of the salary increase shall become effective one year after the date the first one-half of the increase becomes effective.

Proposed Resolution further requires that the salary increases for the governor and other statewide elected officials shall be funded from the existing revenues of each respective department or office.

**CONCURRENT RESOLUTION FOR LEGISLATIVE APPROVAL OF RECOMMENDED
LEGISLATIVE SALARIES AND RECOMMENDED SALARIES OF GOVERNOR AND
STATEWIDE ELECTED OFFICIALS**

Regular Session, 2003

CONCURRENT RESOLUTION NO.

BY

ELECTED OFFICIALS/COMP: Approves salaries for legislators and statewide elected
officials as recommended by the Compensation Review Commission

A CONCURRENT RESOLUTION

To approve salaries for legislators and statewide elected officials recommended by the
Compensation Review Commission in accordance with law; to authorize and
direct the payment of the salaries of statewide elected officials so approved; to
provide for the manner of payment of legislative salaries so approved; to direct
that the unvouchered expense allowance for legislators provided in R.S.
24:31.1(E) shall not be paid; and to provide an effective date for such salaries.

WHEREAS, the Compensation Review Commission is required by law to make
a study of the salaries, expenses, reimbursements, other forms of compensation, and
benefits of statewide elected officials and members of the legislature and may submit a

1 report of its recommendations concerning compensation and benefits to the legislature
2 at any regular session in an odd-numbered year; and

3 WHEREAS, the law further provides that, if approved by concurrent resolution
4 adopted by a favorable vote of the majority of the elected members of each house
5 according to the same procedures and formalities required for the passage of a bill,
6 except for submission to the governor, the salaries recommended in the report shall take
7 effect on the day recommended by the commission in its report and it requires that the
8 concurrent resolution specify such effective date for the salaries; and

9 WHEREAS, the law further provides that, other than recommended salaries, any
10 other recommendation of the commission may be implemented only as provided by such
11 change in law, resolution, rule, or policy as is necessary to provide for such
12 implementation; and

13 WHEREAS, the Compensation Review Commission held extensive public
14 meetings prior to the 2001 Regular Session of the Legislature, including meetings on
15 January 19, 2000, February 8, 9, and 10, 2000, February 16, 2000, September 28 and 29,
16 2000, January 8, 2001, and January 22, 2001, and the commission received testimony
17 and information from a great number of organizations and individuals, including but not
18 limited to the governor, statewide elected officials or their representatives, a number of
19 secretaries of executive branch departments, the presiding officers of the House and
20 Senate, the clerk of the House of Representatives and the secretary of the Senate,
21 legislators and former legislators, and lobbyists; and

1 WHEREAS, the commission has devoted much time and effort to receiving
2 testimony and information and to discussing and deliberating about the appropriate
3 salary amounts and other compensation and benefits which should be provided for
4 members of the legislature and statewide elected officials and submitted a report of the
5 recommendations adopted by the commission together with substantial documentation
6 in a report to the legislature prior to the 2001 Regular Session as required by law; and

7 WHEREAS, the commission met again on May 14, 2003, and reviewed, updated,
8 and adopted its recommendations which have been submitted to the presiding officers
9 of the two houses of the legislature pursuant to law.

10 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
11 approve the salaries for legislators and for statewide elected officials as recommended
12 in the report of the Compensation Review Commission to the legislature, submitted to
13 the president of the Senate and the speaker of the House of Representatives, as required
14 by law, on May 19, 2003.

15 BE IT FURTHER RESOLVED that, as provided in the report of the
16 Compensation Review Commission, the salaries for legislators, for the president of the
17 Senate and the speaker of the House of Representatives, and for the president pro
18 tempore of the Senate and the speaker pro tempore of the House of Representatives
19 approved by this Resolution shall become effective as follows:

20 (1) That one-half of the salary increase shall become effective *[on January 12,*
21 *2004, or, if this Resolution is not adopted on or before January 12, 2004, fifteen days*

1 *after adoption of this Resolution*]; and

2 (2) That the remaining one-half of the salary increase shall become effective one
3 year after the date the first one-half of the increase becomes effective.

4 BE IT FURTHER RESOLVED that, effective [*on January 12, 2004, or, if this*
5 *Resolution is not adopted on or before January 12, 2004, fifteen days after adoption of*
6 *this Resolution*], the presiding officers of the House of Representatives and the Senate
7 are directed not to submit warrants for payment of and not to pay the unvouchered
8 expense allowance for legislators provided by R.S. 24:31.1(E) which is considered as
9 salary for tax purposes.

10 BE IT FURTHER RESOLVED that the salaries of legislators approved by this
11 Resolution shall be paid in the same manner as legislative salaries have been paid prior
12 to the effective date of this Resolution.

13 BE IT FURTHER RESOLVED that, as provided in the report of the
14 Compensation Review Commission, the salaries for the governor, the lieutenant
15 governor, the secretary of state, the attorney general, the state treasurer, the
16 commissioner of agriculture, and the commissioner of insurance approved by this
17 Resolution shall be funded from the existing revenues of each respective department or
18 office and shall become effective as follows:

19 (1) That one-half of the salary increase shall become effective [*on January 12,*
20 *2004, or, if this Resolution is not adopted on or before January 12, 2004, fifteen days*
21 *after adoption of this Resolution*]; and

1 (2) That the remaining one-half of the salary increase shall become effective one
2 year after the date the first one-half of the increase becomes effective.

3 BE IT FURTHER RESOLVED that the state treasurer is authorized and directed
4 to pay warrants for the salaries of statewide elected officials approved by this Resolution.

5 BE IT FURTHER RESOLVED that copies of this Resolution shall be transmitted
6 to the speaker of the House of Representatives, the president of the Senate, and the state
7 treasurer.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

CR No.

Present law created the Compensation Review Commission. Requires the commission to study of the salaries, expenses, reimbursements, other forms of compensation, and benefits of statewide elected officials and members of the legislature. Requires a report to the legislature 60 days prior to any regular session in an odd-numbered year and authorizes submission of a report every two years at any regular legislative session in an odd-numbered year. Provides that, if approved by concurrent resolution adopted by a favorable vote of the majority of the elected members of each house, the salaries recommended in the report shall take effect on the day recommended by the commission in its report. Requires that the Resolution specify such effective date. Requires that the Resolution be adopted according to the same procedures and formalities required for the passage of a bill, except for submission to the governor. Specifies that, other than the recommended salaries, any other commission recommendation may be implemented only as provided by such change in law, resolution, rule, or policy as is necessary to provide for such implementation.

Proposed Resolution approves the salaries for legislators and for statewide elected officials recommended in the report of the Compensation Review Commission to the legislature, submitted to the presiding officers pursuant to law on May 19, 2003. These

salary amounts are:

| | |
|--|------------|
| Governor | \$ 150,933 |
| Other Statewide Elected Officials | \$ 125,933 |
| Legislators | \$ 41,500 |
| Speaker of the House and Senate President | \$ 72,450 |
| Speaker Pro Tempore and President Pro Tempore | \$ 51,500 |

Proposed Resolution provides that the salaries approved shall become effective as follows:

- (1) One-half of the salary increase shall become effective *[on January 12, 2004, or, if the Resolution is not adopted on or before January 12, 2004, fifteen days after adoption of the Resolution]*; and
- (2) That the remaining one-half of the salary increase shall become effective one year after the date the first one-half of the increase becomes effective.

Proposed Resolution, effective *[on January 12, 2004, or, if the Resolution is not adopted on or before January 12, 2004, fifteen days after adoption of the Resolution]*, directs the presiding officers of the legislature not to submit warrants for payment of and not to pay the unvouchered expense allowance for legislators provided by R.S. 24:31.1(E) (\$500 per month) which is considered as salary for tax purposes.

Proposed Resolution provides that the salaries of legislators approved by the Resolution shall be paid in the same manner as legislative salaries have been paid prior to the effective date of the Resolution.

Proposed Resolution further requires that the salary increases for the governor and other statewide elected officials shall be funded from the existing revenues of each respective department or office.

Proposed Resolution authorizes and directs the state treasurer to pay warrants for the salaries of the statewide elected officials so approved.

**CHANGES IN STATUTORY LANGUAGE TO IMPLEMENT
RECOMMENDED CHANGES IN EXPENSE ALLOWANCES**

(Amends R.S. 24:31.4, Adds R.S. 24:38(E), and Repeals R.S. 24:24:31.1(E))

To amend and reenact R.S. 24:31.4 and to enact R.S. 24: 38(E) as follows:

§31.4. Members' office allowance

A. In addition to the salary, per diem, and all other allowances provided by law for members of the legislature, each member of the legislature shall be paid a monthly expense allowance in the amount of one thousand five hundred dollars per month, or so much thereof as may be necessary, for payment of rent for office space in a parish or parishes which he represents, and for payment of the cost of maintaining utilities in said office or offices and for other expenses related to the holding or conduct of ~~their~~ his office. This allowance shall be used only for expenses directly related to the duties of office and shall not be used for political purposes, including but not limited to any publication or communication that has the effect of supporting or opposing the election or reelection of a person to public or party office.

B. Any payment, under the allowance provided in Subsection A hereof for office rental shall be used only for payment of rental for office space in a building situated in a parish which the member represents, and in no case shall payment be made for office space which is located in the legislator's residence. Payment under the allowance provided in Subsection A for cost of utilities and other expenses shall be for reimbursement for cost of electric, water, gas, telephone, and telegraph service for the legislator's district office and for such other office expenses, including but not limited to stationery and other supplies.

C. Each legislator may carry forward from month to month the unexpended balance of the allowance from prior months, but may carry forward at the end of the fiscal year not more than an unexpended balance of three thousand dollars. This expense allowance shall be the legal maximum expense allowance provided to a representative or a senator; however, this limitation shall not preclude the payment by the House or Senate for a member of extraordinary expenses approved by the respective presiding officer provided any such extraordinary expenses so paid or reimbursed shall be reported by the respective presiding officer to the Legislative Budgetary Control Council and the Compensation Review Commission.

~~C.D.~~ The allowance provided in Subsection A shall be withdrawn from the treasury and paid to the persons entitled thereto in the same manner as is provided by law for the salary provided in R.S. 24:31.1. Each member shall be required to file with the presiding officer, prior to payment of the allowance each month, an itemized statement of expenses, and appropriate invoices or receipts supporting the same. The amount of the allowance paid to each member each month shall be equal to the total amount of the

itemized statement, provided that in no case shall the total reimbursement exceed one thousand five hundred dollars.

E. The Legislative Budgetary Control Council shall adopt uniform rules for the House of Representatives and Senate governing administration and permissible uses of this expense allowance and the Legislative Budgetary Control Council shall provide daily oversight and regulation of the expense allowance.

* * *

§38. Legislative Budgetary Control Council; budgetary controls; legislature; legislative agencies; legislative committees; budget unit statements; fiscal notes

* * *

E.(1) The Legislative Budgetary Control Council shall adopt uniform rules for the House of Representatives and Senate governing administration and permissible uses of the expense allowance provided in R.S. 24:31.4 and the Legislative Budgetary Control Council shall provide daily oversight and regulation of the expense allowance.

(2) Rules adopted pursuant to this Subsection shall not be subject to approval by a majority vote of the members of both houses as provided in Subsection B of this Section.

To repeal R.S. 24:31.1(E) which provides for the unvouchered expense allowance for legislators.

**HOUSE RESOLUTION TO REPEAL PROVISIONS
FOR HOUSE SUPPLEMENTAL EXPENSE ACCOUNT**

Regular Session, 2003

HOUSE RESOLUTION NO.

BY REPRESENTATIVE

HOUSE RULES: Repeals provision for supplemental expense account

1

A RESOLUTION

2

To repeal House Rule 6.26(C) of the Rules of Order of the House of Representatives, to

3

remove provisions authorizing the House Executive Committee to establish a

4

vouchered allotment for House members.

5

BE IT RESOLVED that House Rule 6.26(C) of the Rules of Order of the House

6

of Representatives is hereby repealed in its entirety.

7

BE IT FURTHER RESOLVED that this Resolution shall become effective if and

8

when the legislature enacts legislation to provide a monthly vouchersed expense

9

allowance of one thousand five hundred dollars for members of the legislature.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

HR No.

Present House Rule authorizes the House Executive Committee to establish an annual vouchered allotment for House members to be drawn monthly. Specifies that it be used exclusively for expenses incurred in the course and scope of duties as a House member, such as rent for office space; electricity; water; gas; telephone; communication services; stationery; supplies; mileage or expense reimbursement for official travel in or out of state; and other expenses related to the holding or conduct of office. Provides for setting the allotment by February 1st of each year, to be effective for the succeeding fiscal year by adoption of an Executive Committee resolution in an open public hearing.

Proposed House Rule repeals present House Rule.

(Repeals House Rule 6.26(C))

APPENDICES

1.0 Compensation Review Commission Membership List

2.0 Minutes of meeting (5/14/03)

- 2.1 Attachment A ~ Excerpt from Compensation Review Commission Report of Information Received by the Commission and Recommendations on January 22, 2001, pertaining to salary recommendations (pages 8 - 11)
- 2.2 Attachment B ~ 2003 Legislator Compensation Information from the National Conference of State Legislatures Website on May 6, 2003
- 2.3 Attachment C ~ Governors' Compensation Information from *The Book of the States*, 2002 Edition, Vol. 34

Compensation Review Commission

Member List

Prepared: May 13, 2003

By: HLS Staff

Loy F. Weaver, Chairman
Representing: LA House of Representatives
Guaranty Bank
P. O. Box 809
Homer, LA 71040
Phone: (318) 927-3000
Fax: (318) 927-6862

Dr. William L. Jenkins
Representing: Statewide Elected Officials
3810 West Lakeshore Drive
Baton Rouge, LA 70808
Phone: (225) 578-2111
Fax: (225) 578-5524

J. Herbert Boydston, Vice Chairman
Representing: Statewide Elected Officials
P. O. Box 61540
New Orleans, LA 70161
Phone: (504) 533-3902
Fax: (504) 533-2447

Doug Johnson
Representing: LA Senate
2100 Rue Simone
Hammond, LA 70403
Phone: (985) 345-0851
Fax: (985) 345-3934

Herschel L. Abbott, Jr.
Representing: Chief Justice of LA Supreme Court
2342 Camp St.
New Orleans, LA 70130
Phone: (202) 463-4101
Fax: (202) 463-4141

John W. Squires
Representing: Statewide Elected Officials
608 Dumbarton Dr.
Shreveport, LA 71106
Phone: (318) 865-4545
Fax: (318) 865-3462

William D. Brown
Representing: LA Senate
P. O. Box 2470
Monroe, LA 71201-2470
Phone: (318) 388-2500
Fax: (318) 361-3900

Dr. Charles C. Teamer, Sr.
Representing: Statewide Elected Officials
Dryades Savings & Loans
P. O. Box 56009
New Orleans, LA 70156
Phone: (504) 581-5891
Fax: (504) 598-7233

Richard Bushnell
Representing: LA House of Representatives
195 Rand Rd.
Woodworth, LA 71485
Phone: (318) 792-5454
Fax: (318) 449-9639

Appendix 2.0

COMPENSATION REVIEW COMMISSION Minutes of Meeting May 14, 2003

I. CALL TO ORDER

Mr. Loy Weaver, chairman of the Compensation Review Commission, called the meeting to order at 9:01 a.m. in House Committee Room 3, in the State Capitol in Baton Rouge, Louisiana. The secretary called the roll.

II. ROLL CALL

Members Present:

Mr. Loy Weaver, Chairman
Mr. Herschel Abbott, Jr.
Mr. J. Herbert Boydstun, Vice Chairman
Mr. Richard Bushnell
Dr. William L. Jenkins
Mr. Doug Johnson
Mr. John Squires
Dr. Charles C. Teamer, Sr.

Members Absent:

Mr. William D. Brown

Staff Members Present:

Anne Dunn, HLS Governmental Affairs Division Director
Patricia Lowrey-Dufour, House & Governmental Affairs Committee Legislative Analyst
Jennifer McGarr, House & Governmental Affairs Committee Attorney
Rhonda Repetowski, HLS Governmental Affairs Division Administrative Secretary
Yolanda Dixon, Senate Research Services Staff, Deputy Director

III. DISCUSSION

Mr. Weaver stated that, according to the statute (R.S. 42:1481-1485), the Compensation Review Commission is required to meet and report to the legislature every other year. He said the report should include recommendations concerning compensation for legislators and statewide elected officials.

Mr. Weaver asked the members to refer to page eight of the Compensation Review Commission, Report of Information Received by the Commission and Recommendations, January 22, 2001, hereinafter referred to as the "2001 report". (Attachment A) Page eight includes the commission

recommendation for legislative salary. Mr. Weaver stated his understanding that the legislature has not acted upon the recommendations adopted by the commission at that time. He suggested to the commission members that they review these recommendations and propose amendments as needed.

Mr. Weaver welcomed the new commission members, Mr. Bushnell and Mr. Johnson, and encouraged members to make comments and ask questions about the task before them.

Mr. Herschel Abbott asked for clarification about three draft resolutions in his possession. He stated his understanding that one resolution addressed compensation of legislators, one addressed compensation of statewide elected officials, and the third addressed compensation of both legislators and statewide elected officials. Mr. Weaver responded that there were no resolutions before the commission to that effect at this time, but stated that one resolution might be an appropriate option if the commission members approved such.

Mr. Herbert Boydstun said that it would be helpful to him if the 2001 report recommendations were reviewed. Mr. Weaver asked Ms. Anne Dunn, Governmental Affairs Division Director, to respond.

Ms. Dunn said that recommendations relative to legislators were on page eight of the 2001 report and stated the following:

Legislative Salary: That the unvouchered expense allowance be discontinued; that the annual salary of each legislator shall be \$41,500; that the annual salary of the House speaker and the Senate president shall be \$72,450 per year; that the annual salary of the House speaker pro tempore and the Senate president pro tempore shall be \$51,500.

Legislative Salary Effective Date: That the salary increases recommended shall become effective as follows: (1) That one-half of the salary increase shall become effective when a salary increase or increases for teachers in Louisiana public elementary and secondary schools granted after this date in a total amount of \$3,000 from this date become effective, and (2) That only after condition (1) is met, the remaining one-half of the salary increase shall become effective one year after the date the first half of the increase becomes effective.

Ms. Dunn stated that the current annual salary for legislators is \$16,800. She stated that the 2001 report recommendation also included the recommendation relative to expense allowances which was adopted by the commission on September 29, 2000. That recommendation stated the following:

Legislative Expense Allowance: That the \$500 per month vouchered expense allowance for House and Senate members be increased to \$1,500 per month, replacing the present \$1,500 vouchered supplemental expense allowance for House members, as well as Senate expenditures for Senators for items now covered by the present House supplemental expense allowance; that a legislator may carry forward from month to month the unexpended balance from prior months, but may carry forward at the end of the fiscal year not more than an unexpended balance of \$3,000; that this vouchered expense allowance be the legal maximum expense allowance provided to a Representative or a Senator; that this limitation shall not preclude the payment by the House or Senate for a member of extraordinary

expenses approved by the respective presiding officer and that such extraordinary expenses shall be reported to the Legislative Budgetary Control Council and the Compensation Review Commission; that the allowance shall be used only for expenses directly related to the duties of office and shall not be used for political purposes, including but not limited to any publication or communication that has the effect of supporting or opposing the election or reelection of a person to public or party office; that the legislature, through the Legislative Budgetary Control Council (LBCC), shall establish uniform rules for the House and Senate governing administration and permissible uses of the expense allowance and that the LBCC shall provide daily oversight and regulation of the expense allowance. It further recommended that the commission reexamine the amount of the allowance each biennium.

Ms. Dunn stated that the 2001 report included the commission recommendation for the salary of the governor and statewide elected officials. Those recommendations are as follows:

Governor Salary: That the annual salary of the governor shall be \$150,933.

Statewide Elected Officials ~ Lieutenant Governor, Secretary of State, Attorney General, Treasurer, Commissioner of Agriculture, Commissioner of Insurance, and Commissioner of Elections: That the annual salary of each of the other state officials elected statewide shall be \$125,933.

Governor/Statewide Elected Officials Effective Date: That the salary increases recommended shall become effective as follows: (1) That one-half of the salary increase shall become effective on July 1, 2001, and (2) That the remaining one-half of the salary increase shall become effective on July 1, 2002.

Ms. Dunn said that the current salary for the governor is \$95,000 and the other statewide elected officials receive a salary of \$85,000.

Mr. Boydston asked for clarification about the recommendation regarding the vouchered expense allowance. Ms. Dunn gave further explanation about the recommendation.

Mr. Boydston inquired about the basis of the 2001 report recommendation for raising the legislator salary amount. Ms. Dunn responded that her recollection was that the commission based the recommendation on the commission's review of what legislators are called upon to do, what legislators make in other states, and various other information that was presented to the commission at the time.

Mr. Weaver told the new commission members that the legislative staff did an exhaustive survey of information pertaining to salaries in other states. He said comparisons were made with private industry for comparable work. Mr. Weaver stated his opinion that the commission made a very thorough study. He reminded the commission members that all of this information was available to them.

Ms. Dunn asked the members to refer to their folders for more current information pertaining to legislator compensation prepared by the National Conference of State Legislators. (Attachment B)

Mr. Weaver reminded the members that the commission also received information on southern averages. He said the theory behind the creation of this commission was for it to consist of members

from different walks of life. He said the commission is charged with conducting an independent study of salaries and to make appropriate recommendations concerning such. He said the commission found that other states have the same confusing legislative compensation structure as Louisiana making it very difficult to determine an exact compensation figure. He said the commission attempted to address the issue of all compensation including expense accounts, vouchered expenses, and unvouchered expenses. Mr. Weaver commented that when referring to the National Conference of State Legislators information, it appears that there have been substantial increases in other states. Mr. Weaver commented that governor's salaries, as reflected in *The Governors: Compensation* handout from *The Book of the States*, appeared to have increased substantially. Ms. Dunn commented that this information may not be completely up-to-date since it is from the 2002 Edition. (Attachment C)

Mr. Weaver reminded the commission about the requirements for recommendations. He suggested that if the pleasure of the commission is to make the same recommendations that effective date issues should be addressed.

Dr. Jenkins stated his understanding that a specific number should be recommended rather than a range or maximum figure. Mr. Weaver stated that understanding was correct.

Mr. Weaver said the legislature has the option to adopt or reject the resolutions containing the commission recommendations.

Mr. Abbott asked if teachers had received a \$3,000 raise since the adoption of the 2001 report recommendations. Ms. Dunn responded that information received from the House Legislative Services Fiscal Division revealed that for the 2000 - 2001 school year, the average Louisiana teacher salary was \$33,615. For the 2001 - 2002 school year, the average salary was \$36,328. This reflects an increase of \$2,713. That included a \$2,000 state increase in teacher salary. House staff does not have the figures for the current year because they are not yet available. She said there was no \$2,000 state increase the next year. Ms. Dunn stated that there is a provision in the Minimum Foundation Program (MFP) which has been in effect for two years that says that one-half of the additional money that a school board receives from the MFP must go to teacher salary increases. She explained that this allocation varies from parish to parish so it is difficult to give a definitive answer relative to receipt of a \$3,000 increase.

Mr. Abbott asked if the 2001 report recommendation addressed the issue of legislative per diem. Ms. Dunn responded that the commission made no recommendation pertaining to legislative per diem. She said the per diem is currently tied to the federal per diem rate.

Mr. Abbott said that he voted for the recommendation two years ago. He said that it may not be as appropriate now because it probably needs to be increased, but based on the financial condition of the state an increase would not be a logical recommendation. Mr. Abbott then offered a motion to adopt the same recommendations for legislative salary and expenses as approved in the 2001 report, but with a different effective date and not contingent upon teacher salary increases. He offered a motion to make one-half of the salary increase effective on January 1, 2004, and the remaining one-half to be effective on January 1, 2005.

Mr. Weaver said that motion sounded very appropriate, particularly eliminating the tie to teacher salaries since discussion was not previously held about who would determine when that threshold had been achieved. He stated that issue could lead to confusion and litigation.

Mr. Johnson seconded the motion made by Mr. Abbott.

In response to questions by Dr. Jenkins and Mr. Boydston, Mr. Weaver asked Ms. Dunn to prepare documentation comparing current compensation to proposed compensation and having a clear explanation for vouchered and unvouchered expenses.

Mr. Weaver discussed a staff recommendation to amend the effective date to be January 12, 2004, being the date that newly elected legislators will take office. The effective date can be January 1, 2005, or January 12, 2005, the following year.

Mr. Weaver recognized Mr. Al Ater, a witness present for information. Mr. Al Ater stated that he serves as first assistant secretary of state. He continued by saying that he was not present today to testify in that capacity, but was present to testify as a former legislator who served two terms in northeast Louisiana. He encouraged the members to address compensation issues for both legislators and statewide elected officials. He said that there is probably no thornier issue than an elected official having to deal with pay for the office he holds. He said the obvious distinction and cross section of Louisiana that this commission represents has a great deal of influence on the issue. He said that, hopefully, the legislature can consider the commission recommendations which they have not done to date. Mr. Ater suggested that the effective date for compensation changes should be next term. He said that is an issue that has been heard loud and clear from citizens and elected officials. He also suggested effective dates for compensation changes to be made on January 12, 2004, the beginning of the next term, or 15 days after the legislature hears and adopts the recommendations, whichever is later. If adopted this session, recommendations could become effective January 12, 2004. If adopted next session, changes could become effective 15 days after adoption so changes would not be made retroactively. Mr. Ater also suggested that the recommendation might include a 4% or 5% adjustment to be made with every new term of office unless the legislature chose not to approve the adjustment.

Mr. Weaver said he would yield to the consensus of the commission, but that this commission will meet every other year and address the issue. He asked if there was further discussion before a vote on the motion.

Dr. Jenkins stated that he supported the percentage increase, but understood Mr. Weaver's position that the commission could address the issue every other year.

Dr. Teamer commented that a good bit of discussion held at previous meetings revolved around bringing equity concerning expense allowances. He said the 2001 report recommendation included the best resolution the commission found regarding equity in this area.

Ms. Dunn asked for clarification of the effective date for the recommendation relative to legislative compensation. She stated her understanding that one-half of the increase would become effective on

January 12, 2004, or 15 days after adoption of the resolution, whichever is later, and the remaining one-half would become effective one year after the first effective date.

Mr. Weaver asked the secretary to call the roll.

The motion made by Mr. Abbott and seconded by Mr. Johnson relative to legislative compensation passed by a vote of 8 yeas and 0 nays. Those voting yea were Mr. Abbott, Mr. Boydston, Mr. Bushnell, Dr. Jenkins, Mr. Johnson, Mr. Squires, Dr. Teamer and Mr. Weaver. The approved recommendation is as follows:

Recommendations pertaining to Legislative Compensation

Expense Allowance: That the \$500 per month vouchered expense allowance for House and Senate members be increased to \$1,500 per month, replacing the present \$1,500 vouchered supplemental expense allowance for House members, as well as Senate expenditures for Senators for items now covered by the present House supplemental expense allowance; that a legislator may carry forward from month to month the unexpended balance from prior months, but may carry forward at the end of the fiscal year not more than an unexpended balance of \$3,000; that this vouchered expense allowance be the legal maximum expense allowance provided to a Representative or a Senator; that this limitation shall not preclude the payment by the House or Senate for a member of extraordinary expenses approved by the respective presiding officer and that such extraordinary expenses shall be reported to the Legislative Budgetary Control Council and the Compensation Review Commission; that the allowance shall be used only for expenses directly related to the duties of office and shall not be used for political purposes, including but not limited to any publication or communication that has the effect of supporting or opposing the election or reelection of a person to public or party office; that the legislature, through the Legislative Budgetary Control Council (LBCC), shall establish uniform rules for the House and Senate governing administration and permissible uses of the expense allowance and that the LBCC shall provide daily oversight and regulation of the expense allowance. It is further recommended that the commission reexamine the amount of the allowance each biennium.

Salary

That the unvouchered expense allowance be discontinued; that the annual salary of each legislator shall be \$41,500; that the annual salary of the House speaker and the Senate president shall be \$72,450 per year; that the annual salary of the House speaker pro tempore and the Senate president pro tempore shall be \$51,500.

Effective Date:

That the salary increases recommended shall become effective as follows:

- (1) That one-half of the salary increase shall become effective on January 12, 2004, or if this recommendation is not adopted on or before January 12, 2004, fifteen days after adoption of this recommendation by legislative resolution, and

- (2) *That the remaining one-half of the salary increase shall become effective one year after the date the first half of the increase becomes effective.*

Mr. Weaver informed the members that now the issue of compensation for statewide elected officials should be addressed.

Mr. Teamer said much testimony was heard in previous meetings about the inadequate pay of statewide elected officials. He said that the commission received testimony that some employees were earning more money than the department heads. He continued by saying that one of the challenges that Louisiana faces is to get the very best individuals to run for office. He said that if the salary is increased that the very best and brightest individuals might be interested in these positions.

Mr. Teamer offered a motion to recommend the same salaries as approved in the 2001 report with a change in effective date. Mr. Abbott seconded the motion.

Mr. Abbott commented that when the commission adopted the recommendations in 2001, there was considerable public discussion about the recommendations. He said he was satisfied, at the time, that the recommendations were well-founded based on the studies done. He said that two years have elapsed, inflation has continued, and other states have increased the amounts paid to their legislators and elected officials. He stated his understanding that Louisiana has done nothing and realizes the constraints under which the legislature functions and the financial difficulties of the state. Mr. Abbott stated his understanding that the mission of the commission is to research the matter and make recommendations based on the best interest of the people of Louisiana. Mr. Abbott stated his opinion that these recommendations fulfill that mission. He said that he is very comfortable with them and supports the motion.

Discussion was held concerning the effective date. Mr. Teamer agreed that his motion relative to salary changes for statewide elected officials will have the same effective dates as approved earlier today for legislators. Mr. Teamer agreed that one half of the salary increase will become effective on January 12, 2004, or 15 days after adoption by the legislature, whichever is later, and the remaining one-half will become effective one year after that date.

Mr. Johnson stated that he received information pertaining to judges that 10% of their income is in the form of supplemental pay. He asked if any of these offices were subject to supplemental pay. Mr. Weaver responded that the commission received no information indicating that these offices received any supplemental pay.

The motion made by Mr. Teamer and seconded by Mr. Abbott relative to compensation for the governor and other state officials elected statewide passed by a vote of 8 yeas and 0 nays. Those voting yea were Mr. Abbott, Mr. Boydston, Mr. Bushnell, Dr. Jenkins, Mr. Johnson, Mr. Squires, Dr. Teamer and Mr. Weaver. The approved recommendation is as follows:

***Recommendations pertaining to Compensation
for the Governor and Statewide Elected Officials***

Governor

That the annual salary of the governor shall be \$150,933.

Statewide Elected Officials - *Lieutenant Governor, Secretary of State, Attorney General, Treasurer, Commissioner of Agriculture, and Commissioner of Insurance*

That the annual salary of each of the other state officials elected statewide shall be \$125,933.

Funding:

That the salary increase shall be funded from the existing revenues of each respective department or office.

Effective Date:

That the salary increases recommended shall become effective as follows:

- (1) That one-half of the salary increase shall become effective on January 12, 2004, or if this recommendation is not adopted on or before January 12, 2004, fifteen days after adoption of this recommendation by legislative resolution, and*
- (2) That the remaining one-half of the salary increase shall become effective one year after the date the first half of the increase becomes effective.*

Mr. Abbott made a motion that three resolutions be prepared, one to incorporate all of the salary recommendations into one resolution and two resolutions to allow the legislature to adopt the legislative recommendations separately from those for statewide elected officials. Mr. Squires seconded the motion.

Dr. Jenkins asked for the reasoning behind the motion. Mr. Abbott responded that in the press of legislative business that it may be easier to deal with the subject of legislative pay raise in one resolution rather than two.

The motion made by Mr. Abbott and seconded by Mr. Squires relative to preparing three resolutions passed by a vote of 8 yeas and 0 nays. Those voting yeas were Mr. Abbott, Mr. Boydston, Mr. Bushnell, Dr. Jenkins, Mr. Johnson, Mr. Squires, Dr. Teamer and Mr. Weaver.

Mr. Weaver made brief closing comments. He said that he agrees that the legislature deserves close scrutiny, but perhaps are criticized for the wrong reasons -- compensation being one of those things.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:50 a.m.

Respectfully submitted,

Loy Weaver, Chairman
Compensation Review Commission

*The attachments for these minutes are on file with the House Legislative Services Research Library
and the Committee on House and Governmental Affairs.*